

**WORKSHARING DISCOUNTS****I. PREFACE****A. Purpose and Content**

USPS-FY20-3 reports worksharing discounts, cost avoidances and passthroughs for market dominant products for FY 2020.

**B. Predecessor Documents**

Docket No. ACR2019, USPS-FY19-3.

Annual Compliance Determination FY 2019 Chapter 2 (March 25, 2020).

**C. Methodology**

Costs avoided due to worksharing are developed in the input folders identified in the Input/Output section below. The cost methodologies used are described in the individual input folders. Discounts are developed by taking the differences between the current prices of the workshared pieces and benchmark pieces as shown in USPS Notice 123—Price List, effective January 26, 2020. Passthroughs are calculated for each discount as the ratio of the discount to the avoided cost. For the Periodicals class, bundle and container prices are presented as a percentage of cost. It should be noted that these calculations are not cost avoidances or worksharing passthroughs.

**D. Input/Output**

This folder relies on estimates of costs avoided due to worksharing, developed in folders USPS-FY20-10, USPS-FY20-11, USPS-FY20-12, USPS-FY20-13, USPS-FY20-15, USPS-FY20-18, USPS-FY20-19, and USPS-FY20-21. Discounts rely on prices from USPS Notice 123—Price List, effective January 26, 2020. Specific sources are listed at the bottom of each table in USPS-FY20-3.

**II. ORGANIZATION**

In addition to this Preface, USPS-FY20-3 includes an Excel workbook entitled FY20.3.Worksharing Discount Tables.xls. This workbook contains seventeen worksheets showing the benchmark pieces, discounts, cost differentials, and passthroughs for each type of worksharing offered in FY 2020 for market dominant products. The following worksheets are included:

FCM Single Piece Letters, Cards  
FCM Bulk Letters, Cards  
FCM Flats  
Periodicals Outside County  
Per. Bundle-Container Pricing  
Periodicals Within County  
Within County Worksheet  
Marketing Mail Letters  
Marketing Mail Flats Prst Prebcd  
Flats & Parcels Dropship  
Marketing Mail Prcls&Mkt Prcls  
Marketing Mail Carrier Route  
Marketing Mail HD-Sat Letters  
Marketing Mail HD-Sat Flts&Prcl  
Media Mail & Library Mail  
Bound Printed Matter Flats  
Bound Printed Matter Parcels

In addition to the above Excel spreadsheet, one additional spreadsheet is included to support the calculations of dropship passthroughs resulting from Order No. 4227 (November 20, 2017) in Docket No. RM2017-11. This file provides the volumes needed to calculate the passthroughs using the approved methodology.

This file is:

FY2020 USPS Marketing Mail BD – Public ACR.xlsx